

**IN THE UNITED STATES DISTRICT COURT
FOR THE SOUTHERN DISTRICT OF MISSISSIPPI**

Eastern Division

PENNYMAC LOAN SERVICES, LLC,

Plaintiff,

-vs-

INNOVATED HOLDINGS, INC. dba
SITCOMM ARBITRATION ASSOCIATION;
MARK MOFFETT; SANDRA GOULETTE;
RONNIE KAHAPPEA; MARK JOHNSON, KIRK
GIBBS; BRETT "EEON" JONES aka EEON aka
BRETT JONES aka BRETT TORIANO
JONESTHEOPHILIOUS aka BRETT
RANDOFF TORIANO KEEFFE HENRY KANA-
SHAPHEL HITHRAPPE JONES-THEOPHILUS
fka KEEFFE BRANCH; and RANCE MAGEE,
Defendants.

CIVIL ACTION

Case No: 2:19-cv-00193-TBM- MTP

**PLAINTIFF PENNYMAC LOAN
SERVICES, LLC'S SECOND
MOTION FOR DEFAULT
JUDGMENT ON ITS THIRD,
FOURTH, FIFTH, SIXTH, AND
SEVENTH CAUSES OF ACTION**

**PLAINTIFF PENNYMAC LOAN SERVICES, LLC'S SECOND MOTION FOR
DEFAULT JUDGMENT ON ITS THIRD, FOURTH, FIFTH, SIXTH, AND SEVENTH
CAUSES OF ACTION**

COMES NOW plaintiff, PennyMac Loan Services, LLC (“PennyMac”) to file its second motion¹ for default judgment (the “Motion”) against defendants Innovated Holdings, Inc. dba Sitcomm Arbitration Association (“Sitcomm”), Mark Moffett (“Moffett”), Sandra Goulette (“Goulette”), Kirk Gibbs (“Gibbs”), Bret “Eeon” Jones aka EEON aka Brett Jones aka Brett Toriano Jonestheophilous aka Brett Randoff Toriano Keeffe Henry Kana-Shaphel Hithrappes Jones-Theophilus fka Keefe Branch (“EeoN”), and Rance Magee (“Magee”) (collectively, “Defendants”) pursuant to Fed. R. Civ. P. 55 showing:

1. The Clerk entered a default against Moffett on January 31, 2020, Dkt No. 23, and defaults against Sitcomm, EeoN, and Magee on October 9, 2020, Dkt No. 92. As to Goulette and Gibbs, the Court entered defaults against them on June 23, 2021. (Dkt No. 227.)

2. Accordingly, for the reasons stated in PennyMac’s Memorandum of Law filed in support of this Motion, default judgment should be granted in favor of PennyMac.

3. PennyMac relies on the below additional documents appended hereto.²

Exhibit 1 – Note, dated April 1, 2016 for Kahapea loan	Exhibit 15 - Interrogatories, Requests for Production, and Requests for Admission to Johnson and Proof of Service
Exhibit 2 – Deed of Trust, dated April 1, 2016 for Kahapea loan	Exhibit 16 - Interrogatories, Requests for Production, and Requests for Admission to Goulette and Proof of Service
Exhibit 3 – “Conditional Acceptance” sent by Kahapea to PennyMac	Exhibit 17 - Interrogatories, Requests for Production, and Requests for Admission to Moffett and Proof of Service
Exhibit 4 – “Legal Notification” sent by Kahapea to PennyMac	Exhibit 18 - Interrogatories, Requests for Production, and Requests for Admission to Gibbs and Proof of Service

¹ PennyMac files the Motion in accordance with the Court’s July 2, 2021 text order granting PennyMac leave to file a second motion for default judgment. Text Order, July 2, 2021.

² The exhibits referenced below are authenticated by the Declaration of Nicole Metral and Declaration of Johnny Morton. The Morton Declaration was previously filed in support of PennyMac’s first motion for default judgment and authenticates the same exhibits as annexed to this Motion.

Exhibit 5 – Notice of Arbitration Hearing relating to Kahapea Arbitration	Exhibit 19 – Excerpts from Deposition of Sandra Goulette, taken on December 8, 2020 and January 20, 2021
Exhibit 6 – the Kahapea Arbitration Award	Exhibit 20 – excerpts from sworn testimony given by Moffett in the hearing to affirm and vacate arbitration award in Brown v. Ally Financial Incorporated, 2:18cv70 (S.D. Miss.)
Exhibit 7 – payoff statement for Kahapea loan	Exhibit 21 - copy of State of Wyoming Secretary of State website relating to Sitcomm
Exhibit 8 – Note, dated June 12, 2015 for Johnson loan	Exhibit 22 - a copy of Sitcomm’s 2020 Profit Corporation Annual Report filed with the Wyoming Secretary of State on May 13, 2021
Exhibit 9 – Deed of Trust, dated June 12, 2015 for Johnson loan	Exhibit 23 – a copy of Sitcomm’s website https://saalimited.com/index.html (last accessed July 7, 2021)
Exhibit 10 – “Conditional Acceptance” sent by Johnson to PennyMac	Exhibit 24 - Sample Forms retrieved from Sitcomm’s website in July 2020
Exhibit 11 – Notice of Arbitration Hearing relating to Johnson Arbitration;	Exhibit 25 – Memorandum Opinion and Order, dated January 5, 2021 in Kahapea v. PennyMac Loan Services LLC et al., Case No. 2:20-cv-151 (S.D. Miss.)
Exhibit 12 – the Johnson Arbitration Award	Exhibit 26 – Memorandum Opinion and Order of Dismissal, dated May 29, 2020 in Kahapea v. PennyMac Loan Services LLC et al., Case No. 1:19-mc-00028 (D.N.M.)
Exhibit 13 – payoff statement for Johnson loan	Exhibit 27 – Memorandum Opinion and Order Awarding Attorneys’ Fees and Costs, dated May 15, 2020 in Kahapea v. PennyMac Loan Services LLC et al., Case No. 1:19-mc-00028 (D.N.M.)
Exhibit 14 - Interrogatories, Requests for Production, and Requests for Admission to Kahapea and Proof of Service	Exhibit 28 – Memorandum Opinion, dated September 8, 2020 and Minute Sheet, dated August 31, 2020 in Johnson v. PennyMac Loan Services LLC, 3:19cv837 (E.D. Va.)

4. PennyMac submits that its Motion is well-taken and requests that the Court issue judgment: (1) on the Third Cause of Action in the amount of \$139,928.71 in compensatory damages representing PennyMac’s attorneys’ fees in related actions (the “Attorneys’ Fees”) and \$1,000,000 in punitive damages; (2) on the Fourth Cause of Action in the amount of \$551,450.99 consisting of \$273,258.57 in unpaid principal, late fees, and interest through February 5, 2020, on the Kahapea Loan and \$278,192.42 in unpaid principal, late fees, and interest through February

19, 2021, on the Johnson Loan³; (3) on the Fifth Cause of Action in the amount of \$139,928.71 representing the Attorneys' Fees; and (4) on the Sixth and Seventh Causes of Action in the amount \$419,786.13, representing a trebling of the Attorneys' Fees. PennyMac also requests that if the Court grants the Motion, the Court set a schedule for PennyMac to submit a fee application to recover its attorneys' fees and costs expended in this action.

Dated: July 9, 2021

Respectfully submitted,

/s/ Nicole Bartz Metral

Cheryl S. Chang (admitted *pro hac vice*)

chang@blankrome.com

Nicole Bartz Metral (admitted *pro hac vice*)

nbmetral@blankrome.com

Jessica A. McElroy (admitted *pro hac vice*)

jmcelroy@blankrome.com

BLANK ROME LLP

2029 Century Park East, 6th Floor

Los Angeles, California 90067-2907

Telephone: 424.239.3400

Facsimile: 424.239.3434

Harris F. Powers III

hpowers@upshawwilliams.com

Steven C. Cookston

scookston@upshawwilliams.com

Upshaw, Williams, Biggers & Beckham, LLP

309 Fulton Street

Post Office Drawer 8230

Greenwood, MS 38935-8230

Telephone: 662.455.1613

Facsimile: 662.453.9245

Counsel for Plaintiff

³ PennyMac reserves the right to update and supplement its damages calculations with additional evidence regarding the amounts owed on the Kahapea and Johnson loans.